REMARKS

Applicant thanks the Examiner for the Examiner's comments, which have greatly assisted Applicant in responding.

SPECIFICATION

The disclosure is objected to because of the following informalities:

- P. 2, line 18: the URL should be deleted
- P. 7, line 20: "207" should have been "209"
- P. 12, line 20: "823" should have been "623"
- P. 12, line 21: "604" should have been "605"

Accordingly, Applicant has amended the Specification per the suggestions by the Examiner. Removal of the objection and reconsideration are respectfully requested.

CLAIM OBJECTIONS

Claims 1, 24, 26 and 27 are objected to because of the following informalities:

- Claim 1, line 6: it should have been "watermarked" first transformation that is reversed, or, put in other words, that the reverse first transformation is applied to the watermarked first transformation result (and for examination purpose will be so interpreted).
- Claim 24, line: for consistency change "the audio frame" to "the MPEG audio frame"
- Claims 26 and 27: delete all instances of "improved" and "improvement" (lines 1 & 6, and 1& 3, respectively)
- Claim 27: as written it is not clear what is being reversed in "reversing the transformation of the watermarked transformed frame" (appears both in lines 8 and 10) since the watermarked transformed frame has undergone a reversible transformation, followed by adding watermark information (a transformation itself); *i.e.*, a *composite* transformation has been applied to obtain the watermarked transformed frame.

 Claims 23 and 28: see the discussion and the suggestions for claim 27 above and make similar suggested changes

Accordingly, Applicant has amended the Claims per the suggestions by the Examiner. Removal of the objection and reconsideration are respectfully requested.

CLAIM REJECTIONS - 35 U.S.C. §101

Claims 9 and 25 are rejected under 35 U.S.C. §101 because the claimed invention is directed to non-statutory subject matter. Specifically, Claims 9 and 25 rejected under 35 U.S.C. 101 because their respective claimed invention is directed to non-functional descriptive material, which is non-statutory subject matter.

Applicant has amended Claims 9 and 25 accordingly by directing both claims to "A non-transitory storage medium having stored thereon". Removal of the rejection and reconsideration are respectfully requested.

CLAIM REJECTIONS - 35 U.S.C. §112

(a) Claim 27 is rejected under 35 U.S.C. §112, first paragraph because Claim 27 recites a means (watermark information detector) that does not appear in combination with another recited element of means and is therefore subject to an undue breadth rejection. Applicant respectfully traverses.

Applicant is of the opinion that amended Claim 27 (at former lines 9 to 11) now clearly indicates what the watermark information detector is doing. Removal of the rejection and reconsideration are respectfully requested.

(b) Claim 7 is rejected under 35 U.S.C. §112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Applicant has amended Claim 7 by replacing the term "at the time" by the term "when".

Removal of the rejection and reconsideration are respectfully requested.

CLAIM REJECTIONS - 35 U.S.C. §102

Claim 1 is rejected under 35 U.S.C. §102(e) as being anticipated by Tian et al., (US6,683,966).

Applicant has cancelled Claim 1 without prejudice and has incorporated the features thereof into Claim 2. Thus, the rejection is moot. Removal of the rejection and reconsideration are respectfully requested.

CLAIM REJECTIONS – 35 U.S.C. § 103

1) Claims 5-7 are rejected under 35 U.S.C. §103(a) as being unpatentable over Tian *et al.*, (US 6,683,966) as applied to Claim 1 above, and further in view of APA (Admitted Prior Art of Fig. 1 and P. 3, lines 7-32). Applicant respectfully traverses.

Claims 5-7 are now dependent on base claims that are deemed allowable.

Removal of the rejection and reconsideration are respectfully requested.

2) Claim 8 is rejected under 35 U.S.C. §103(a) as being unpatentable over Fridrich et al., ("Lossless data embedding—New paradigm in digital watermarking", EURASIP J. Applied Signal Processing, 2002:2, pp. 185-196) and further in view Mihcak *et al.*, (US 2002/0154778).

Claim 8 has been amended to incorporate the allowable features.

Removal of the rejection and reconsideration are respectfully requested.

3) Claims 10-15 and 26 rejected under 35 U.S.C. §103(a) as being unpatentable over APA (Admitted Prior Art of Fig. 1 and P. 3, lines 7-32), and further in view of Fridrich *et al.*, ("Lossless data embedding—New paradigm in digital watermarking", EURASIP J. Applied Signal Processing 2002:2, pp. 185-196).

Claim 10 has been cancelled and incorporated into allowable amended Claim 19. Claims 11 and 12 now depend from Claim 19. Claim 13 has been cancelled and incorporated into allowable amended Claim 19. Claims 14 and 15 now depend from Claim 19.

Claim 26 has been amended similarly as Claim 19.

Removal of the rejection and reconsideration are respectfully requested.

4) Claims 16-18 are rejected under 35 U.S.C. §103(a) as being unpatentable APA (Admitted Prior Art of Fig. 1 and P. 3, lines 7-32) and Fridrich *et al.*, ("Lossless data embedding—New paradigm in digital watermarking", EURASIP J. Applied Signal Processing 2002:2, pp. 185-196) as applied to claims 10-15 and 26 above, and further in view of Tian *et al.*, (US 6,638,966).

Claim 16 has been cancelled and incorporated into allowable amended Claim 19. Claims 17 and 18 now depend from Claim 19.

Removal of the rejection and reconsideration are respectfully requested.

5) Claims 23, 27 and 28 are rejected under 35 U.S.C. §103(a) as being unpatentable over Tian *et al.*, (US 6,638,966) and further in view of Koukopolous *et al.*, ("A compressed-domain watermarking algorithm for MPEG audio layer 3", ACM, 2001, provided as part of the IDS) and Mihcak *et al.*, (US 2002/0154778).

Claims 23, 27, and 28 have been amended to incorporate the corresponding allowable features.

Removal of the rejection and reconsideration are respectfully requested.

6) Claim 24 is rejected under 35 U.S.C. §103(a) as being unpatentable over Tian *et al.*, (US 6,638,966), and further in view of Koukopolous *et al.*, ("A compressed-domain watermarking algorithm for MPEG audio layer 3", ACM, 2001, provided as part of the IDS).

Claim 24 has been amended to incorporate the corresponding allowable features.

Removal of the rejection and reconsideration are respectfully requested.

CONCLUSION

Applicant respectfully posits that the pending claims are distinguished from the art of record, and that all rejections of the claims are overcome. Accordingly, Applicant respectfully requests allowance of all claims. The Examiner is invited and encouraged to contact Applicant's attorney or agent at (650) 474-8400 should any questions arise.

Respectfully submitted, Julia a. Thomas

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